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*Counsel for the Debtors, Acting at the
Direction of the Restructuring Sub-Committee*

**UNITED STATES BANKRUPTCY COURT
THE SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re:	: Chapter 11
	:
SEARS HOLDINGS CORPORATION, et al.,	: Case No. 18-23538 (RDD)
	:
Debtors.¹	: (Jointly Administered)
	:
-----X	

**TENTH MONTHLY FEE STATEMENT OF
YOUNG CONAWAY STARGATT & TAYLOR, LLP
FOR COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED
AS CONFLICTS COUNSEL FOR THE DEBTORS FOR THE PERIOD
FROM JULY 1, 2019 THROUGH JULY 31, 2019**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Name of Applicant:	Young Conaway Stargatt & Taylor, LLP
Authorized to Provide Professional Services to:	Conflicts Counsel for the Debtors
Date of Retention:	November 13, 2018, <i>nunc pro tunc</i> to October 15, 2018
Period for which compensation and reimbursement is sought:	July 1, 2019 through July 31, 2019
Monthly Fees Incurred:	\$15,156.00
20% Holdback:	\$3,031.20
Compensation Less 20% Holdback:	\$12,124.80
Monthly Expenses Incurred:	\$25.21
Total Fees and Expenses Due:	\$12,150.01
This is a:	<u> X </u> monthly <u> </u> interim <u> </u> final application

In accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No. 796] (the “Interim Compensation Order”),² Young Conaway Stargatt & Taylor, LLP (“Young Conaway”) hereby submits this tenth monthly fee statement (the “Monthly Fee Statement”), seeking compensation for services rendered and reimbursement of expenses incurred as conflicts counsel to the Debtors for the period from July 1, 2019 through July 31, 2019 (the “Monthly Fee Period”). By this Monthly Fee Statement, Young Conaway seeks payment in the amount of \$12,150.01 which is comprised of (i) \$12,124.80 which represents eighty percent (80%) of the total amount of compensation sought for actual and necessary services rendered during the Monthly Fee Period, and (ii) reimbursement of \$25.21,

² Capitalized terms used herein but not otherwise defined herein have the meanings ascribed to them in the Interim Compensation Order.

which represents one hundred percent (100%) of actual and necessary expenses incurred in connection with such services.

Services Rendered and Expenses Incurred

1. Attached as Exhibit A is a summary of Young Conaway's professionals by individual, setting forth the (i) name, title, and department of each individual who provided services in connection with the Chapter 11 Cases during the Monthly Fee Period, (ii) aggregate hours spent by each individual, (iii) hourly billing rate for each such individual at Young Conaway's billing rates during the Monthly Fee Period, (iv) amount of fees earned by each Young Conaway professional, and (v) the number of years in practice for each attorney. The blended hourly billing rate of Young Conaway attorneys during the Monthly Fee Period is approximately **\$935.67**. The blended hourly rate of paralegals and other non-legal staff during the Monthly Fee Period is approximately **\$295.00**.

2. Attached as Exhibit B is a summary of the services rendered and compensation sought, by project category, for the Monthly Fee Period.

3. Attached as Exhibit C is a summary of expenses incurred and reimbursement sought, by expense type, for the Monthly Fee Period.

4. Attached as Exhibit D is itemized time detail of Young Conaway professionals for the Monthly Fee Period and summary materials related thereto. The description of the work done by counsel in the time detail may have been edited to protect the confidential and privileged nature of the work completed.

Notice and Objection Procedures

5. Notice of this Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Rob Riecker (email: Rob.Riecker@searshc.com) and

Luke Valentino (email: Luke.Valentino@searshc.com); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attention: Ray C. Schrock (email: ray.schrock@weil.com), Jacqueline Marcus (email: jacqueline.marcus@weil.com), Garrett A. Fail (email: garrett.fail@weil.com), and Sunny Singh (email: sunny.singh@weil.com); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg (e-mail: paul.schwartzberg@usdoj.gov) and Richard Morrissey (e-mail: richard.morrissey@usdoj.gov); (iv) Paul E. Harner, Ballard Spahr LLP, the independent fee examiner, 1675 Broadway 19th Floor, New York, NY 10019 (email: harnerp@ballardspahr.com); (v) counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York, 10036, Attention: Philip C. Dublin (email: pdublin@akingump.com), Ira Dizengoff (email: idizengoff@akingump.com), and Sara Lynne Brauner (email: sbrauner@akingump.com); and (vi) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake (email: paul.leake@skadden.com), Shana A. Elberg (email: shana.elberg@skadden.com) and George R. Howard (email: george.howard@skadden.com) (collectively, the “Notice Parties”).

Objections to this Monthly Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than **September 13, 2019** (the “Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

If no Objections to this Monthly Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

If an Objection to this Monthly Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Monthly Fee Statement to which the Objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an Objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

Dated: August 29, 2019

/s/ Pauline K. Morgan
YOUNG CONAWAY STARGATT & TAYLOR, LLP
1270 Avenue of the Americas, Suite 2201
New York, New York 10020
Tel: (212) 332-8840
Fax: (212) 332-8855
Pauline K. Morgan
Ryan M. Bartley
Travis Buchanan

*Counsel for the Debtors, Acting at the
Direction of the Restructuring Sub-Committee*

Exhibit A

Compensation by Professional

**SUMMARY OF MONTHLY FEE STATEMENT OF
YOUNG CONAWAY STARGATT & TAYLOR, LLP FOR
SERVICES RENDERED FOR THE PERIOD
FROM JULY 1, 2019 THROUGH JULY 31, 2019**

Name of Partners and Counsel	Title	Department	Date of First Admission	Hourly Billing Rate (\$)	Total Billed Hours	Total Compensation (\$)
Pauline K. Morgan	Partner	Bankruptcy	1987	975.00	2.70	2,632.50
Craig D. Gear	Partner	Business Planning	1996	975.00	.50	487.50
Norman M. Powell	Partner	Business Planning	1990	975.00	10.20	9,945.00
Ryan M. Bartley	Partner	Bankruptcy	2007	625.00	.40	250.00
Michael S. Neiburg	Partner	Bankruptcy	2009	600.00	1.20	720.00
Total Partners and Counsel:					15.00	14,035.00

Name of Paralegals and Other Non-Legal Staff	Title	Department	Hourly Billing Rate (\$)	Total Billed Hours	Total Compensation (\$)
Brenda Walters	Paralegal	Bankruptcy	295.00	3.80	1,121.00
Total Paralegals:				3.80	1,121.00

PROFESSIONALS	BLENDED RATE (\$)	TOTAL BILLED HOURS	TOTAL COMPENSATION (\$)
Partners	935.67	15.00	14,035.00
Paralegals/Non-Legal Staff	295.00	3.80	1,121.00
Blended Attorney Rate	935.67		
Total Fees Incurred:		18.80	15,156.00

Exhibit B

Compensation by Task Code

**AGGREGATE TIME SUMMARY BY TASK CODE
FOR THE PERIOD FROM JULY 1, 2019 THROUGH JULY 31, 2019**

Project Category	Total Hours	Total Fees (\$)
Cash Collateral/DIP Financing (B003)	.20	195.00
Other Adversary Proceedings (B011)	3.60	2,104.00
Plan and Disclosure Statement (B012)	12.00	11,700.00
Fee Application Preparation (B018)	3.00	1,157.00
TOTAL	18.80	15,156.00

Exhibit C

Expense Summary

**AGGREGATE ITEMIZED DISBURSEMENTS
FOR THE PERIOD FROM JULY 1, 2019 THROUGH JULY 31, 2019**

Expenses Category	Total Expenses (\$)
Teleconference / Video Conference	5.11
Federal Express	11.80
Reproduction Charges	8.30
TOTAL	25.21

Exhibit D

Time Detail

YOUNG CONAWAY STARGATT & TAYLOR, LLP

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WILMINGTON, DELAWARE 19801

P.O. BOX 391
WILMINGTON, DELAWARE 19899-0391

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Writer's E-Mail
pmorgan@ycst.com

Sears Holdings Corporation
333 Beverly Rd
c/o Alan Carr, Director
Hoffman Estates, IL 60178

Invoice Date:	August 13, 2019
Invoice Number:	50007870
Matter Number:	072902.1003

Re: Debtor Representation

CURRENT INVOICE

Professional Services	\$	15,156.00
Disbursements	\$	<u>25.21</u>
Total Due This Invoice	\$	15,181.21

Sears Holdings Corporation

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Invoice Date:

August 13, 2019

Invoice Number:

50007870

Matter Number:

072902.1003

Time Detail

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
07/09/19	PMORG	Emails with YCST team and with C. Toto re: weekly carve-out reporting	B003	0.10	97.50
07/30/19	PMORG	Emails with YCST and Paul, Weiss teams re: carve-out reporting	B003	0.10	97.50
07/09/19	BWALT	Update, review, and circulate docket	B011	1.00	295.00
07/09/19	MNEIB	Email from S. Avidan re: proposed order extending response deadline and adjourning pre-trial conference (.1); review proposed order (.1)	B011	0.20	120.00
07/09/19	MNEIB	Review letter to Judge Drain requesting adjournment of pre-trial conference	B011	0.10	60.00
07/09/19	MNEIB	Emails with E. Hoyle re: third-party discovery issues	B011	0.10	60.00
07/09/19	MNEIB	Review draft subpoenas	B011	0.30	180.00
07/09/19	PMORG	Review letter from L. Clayton to Court requesting adjournment of pre-trial conference and order granting same	B011	0.10	97.50
07/11/19	BWALT	Review T. Tisch's responses to first request for production of documents, and rule 26 initial disclosures, and emails with R. Bartley re: same	B011	0.20	59.00
07/11/19	MNEIB	Review initial disclosures	B011	0.20	120.00
07/11/19	MNEIB	Review Tisch responses and objections to first RFPs	B011	0.30	180.00
07/11/19	PMORG	Brief review of Tisch initial disclosures and objections to discovery	B011	0.30	292.50
07/11/19	RBART	Review initial disclosures	B011	0.30	187.50
07/30/19	PMORG	Brief review of plan supplement re: trust governance (.30) and call with R. Bartley re: same (.10)	B011	0.40	390.00
07/30/19	RBART	Call with P. Morgan re: litigation status	B011	0.10	62.50
07/16/19	PMORG	Call with N. Munz at Weil re: review of liquidating trust agreement; email to and call with C. Gear re: same	B012	0.20	195.00

Sears Holdings Corporation

Invoice Date:

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Matter Number:

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<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
07/17/19	PMORG	Emails with N. Munz at Weil re: liquidating trust agreement; briefly review same; emails and call with C. Gear and emails with N. Powell re: same	B012	0.30	292.50
07/18/19	CGREA	Review and revise liquidating trust agreement	B012	0.20	195.00
07/18/19	CGREA	Conference with N. Powell re: liquidating trust issues and related follow up re: same	B012	0.30	292.50
07/18/19	NPOWE	Reviewed draft liquidating trust agreement, discussed selected issues with C. Gear; send comments to Weil for consideration & follow-up	B012	4.50	4,387.50
07/18/19	PMORG	Briefly review revisions to Liquidation Trust Agreement; emails with N. Powell and C. Gear re: same	B012	0.30	292.50
07/19/19	PMORG	Review emails from H. Guthrie at Weil re: liquidating trust agreement	B012	0.10	97.50
07/22/19	NPOWE	Correspondence from Weil re: liquidating trust, possible resident trustees	B012	0.30	292.50
07/22/19	PMORG	Review emails from Weil and N. Powell re: liquidating trust issues	B012	0.10	97.50
07/23/19	NPOWE	Reviewed Akin's comments to draft liquidating trust agreement, advice to Weil re: same and specific inquiries regarding necessary signatories to certificate of trust	B012	1.80	1,755.00
07/23/19	PMORG	Review numerous emails from H. Guthrie and N. Powell re: liquidating trust agreement	B012	0.10	97.50
07/24/19	NPOWE	Correspondence from Weil, analysis and suggestion of possible additional language for disclaimer of duties	B012	1.10	1,072.50
07/25/19	NPOWE	Correspondence from Weil re: possible non-participation of liquidating trustee; revised draft (amended and restated) trust agreement for proposed liquidating trust	B012	2.50	2,437.50
07/25/19	PMORG	Review numerous emails re: liquidating trust agreement	B012	0.20	195.00
06/27/19	BWALT	Finalize for filing and coordinate filing of eighth monthly fee application	B018	1.50	442.50
07/12/19	PMORG	Review June fee exhibit to ensure protection of privilege and compliance with local rules	B018	0.30	292.50
07/25/19	BWALT	Prepare ninth monthly fee statement for June 2019 and email to P. Morgan, and R. Bartley	B018	0.80	236.00

Sears Holdings Corporation

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Invoice Date: August 13, 2019
Invoice Number: 50007870
Matter Number: 072902.1003

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
07/25/19	PMORG	Review YCST's ninth fee statement	B018	0.10	97.50
07/26/19	BWALT	Email from P. Morgan (.1); finalize ninth monthly fee application and email to Paul Weiss to file and coordinate service (.2)	B018	0.30	88.50
Total				18.80	\$15,156.00

Sears Holdings Corporation

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Invoice Date: August 13, 2019

Invoice Number: 50007870

Matter Number: 072902.1003

Timekeeper Summary

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BWALT	Brenda Walters	Paralegal	3.80	295.00	1,121.00
CGREA	Craig D. Gear	Partner	0.50	975.00	487.50
MNEIB	Michael S. Neiburg	Partner	1.20	600.00	720.00
NPOWE	Norman M. Powell	Partner	10.20	975.00	9,945.00
PMORG	Pauline K. Morgan	Partner	2.70	975.00	2,632.50
RBART	Ryan M. Bartley	Partner	0.40	625.00	250.00
Total			18.80		\$15,156.00

Sears Holdings Corporation

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Invoice Date:

August 13, 2019

Invoice Number:

50007870

Matter Number:

072902.1003

Task Summary**Task Code:B003****Cash Collateral/DIP Financing**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Pauline K. Morgan	Partner	0.20	975.00	195.00
Total		0.20		195.00

Task Code:B011**Other Adversary Proceedings**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Michael S. Neiburg	Partner	1.20	600.00	720.00
Pauline K. Morgan	Partner	0.80	975.00	780.00
Ryan M. Bartley	Partner	0.40	625.00	250.00
Brenda Walters	Paralegal	1.20	295.00	354.00
Total		3.60		2,104.00

Task Code:B012**Plan and Disclosure Statement**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Craig D. Gear	Partner	0.50	975.00	487.50
Norman M. Powell	Partner	10.20	975.00	9,945.00
Pauline K. Morgan	Partner	1.30	975.00	1,267.50
Total		12.00		11,700.00

Task Code:B018**Fee Application Preparation**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Pauline K. Morgan	Partner	0.40	975.00	390.00
Brenda Walters	Paralegal	2.60	295.00	767.00
Total		3.00		1,157.00

Sears Holdings Corporation

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Invoice Date: August 13, 2019

Invoice Number: 50007870

Matter Number: 072902.1003

Cost Detail

<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
04/30/19	Teleconference / Video Conference	1.00	5.11
07/12/19	Federal Express	1.00	11.80
07/18/19	Reproduction Charges	51.00	5.10
07/26/19	Reproduction Charges	32.00	3.20
	Total		\$25.21

Sears Holdings Corporation

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Invoice Date:

August 13, 2019

Invoice Number:

50007870

Matter Number:

072902.1003

Cost Summary

<u>Description</u>	<u>Amount</u>
Federal Express	11.80
Reproduction Charges	8.30
Teleconference / Video Conference	5.11
Total	\$25.21